



STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC UTILITY CONTROL

TECHNOLOGY COMMITTEE

House Bill 5508: AAC THE DIVISION OF ELECTRICITY POLICY AND PROCUREMENT

March 16, 2010

TESTIMONY OF CHAIRMAN KEVIN M. DELGOBBO

The Department of Public Utility Control (Department) submits the following comments in regards to Raised Bill 5508. While the Department agrees that a newly created Division within the Department is an intriguing concept, it has similar concerns as expressed in its testimony regarding the creation of a separate procurement authority in HB 5505. The Department believes that such a body is unnecessary since much of what is proposed under the auspices of this new Division can be more efficiently and effectively achieved through the existing resources of the Department without the additional expense of further personnel and financing of assets as contemplated by this bill. For example, the Department can be charged with securing long-term contracts at cost of service for resources; and procurement for standard service can be modified to include a host of new methods and means in order to achieve better and more economical results.

The Department cannot underscore enough the fact that many of the resources procured over the past several years as a result of the Energy Independence Acts of 2005 and 2007, were accomplished without the need to expose ratepayers to additional costs and risks. More importantly, as a result of the above-referenced Acts, the Department does not own any power plants and all contracts for the output of these generators have been signed and administered by the electric distribution companies. The Department believes this has worked well and no changes are needed in this respect. Therefore, to the extent policy makers desire to make changes to the current manner in which the Department exercises its authority and creates certain processes, it does not believe that such new functions and authority require altering the Department in the manner contemplated by this Raised Bill.

The Department thanks the Committee for this opportunity to testify and looks forward to working with the Committee on this bill.